

House Bill 189

By: Representatives Smith of the 133rd, Harrell of the 106th, Tanner of the 9th, Corbett of the 174th, and Bentley of the 139th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to sales
2 and use taxes, so as to create an exemption from the state levy of sales and use tax on sales
3 of fuel to a contract or common carrier regulated by the United States Surface Transportation
4 Board for use exclusively in the operation of locomotives by such carrier; to provide for
5 related matters; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to sales and taxes,
9 is amended in Code Section 48-8-3, relating to exemptions, by revising paragraph (33) and
10 by deleting "or" at the end of division (iii) of subparagraph (E) of paragraph (102), by
11 replacing the period with "; or" at the end of subparagraph (G) of paragraph (103), and by
12 adding a new paragraph to read as follows:

13 "(33)(A) The sale of aircraft, watercraft, railroad locomotives and rolling stock, motor
14 vehicles, and major components of each, which will be used principally to cross the
15 borders of this state in the service of transporting passengers or cargo by common
16 carriers and by carriers who hold common carrier and contract carrier authority in
17 interstate or foreign commerce under authority granted by the United States
18 government. Replacement parts installed by carriers in such aircraft, watercraft,
19 railroad locomotives and rolling stock, and motor vehicles which become an integral
20 part of the craft, equipment, or vehicle shall also be exempt from all taxes under this
21 article;

22 (B) In lieu of any tax under this article which would apply to the purchase, sale, use,
23 storage, or consumption of the tangible personal property described in this paragraph
24 but for this exemption, the tax under this article shall apply with respect to all fuel
25 purchased and delivered within this state by or to any common carrier and with respect
26 to all fuel purchased outside this state and stored in this state irrespective, in either case,

of the place of its subsequent use, except to the extent that such fuel is exempt from such tax as provided in paragraph (104) of this Code section;"

"(104)(A) Sales of fuel to a contract or common carrier regulated by the United States Surface Transportation Board for use exclusively in the operation of locomotives by such carrier.

(B) The exemption provided for in subparagraph (A) of this paragraph shall not apply to any sales and use tax levied or imposed in an area consisting of less than the entire state, however authorized, including, but not limited to, such taxes authorized by or pursuant to:

(i) Constitutional amendment;

(ii) Section 25 of an Act approved March 10, 1965 (Ga. L. 1965, p. 2243), as amended, the 'Metropolitan Atlanta Rapid Transit Authority Act of 1965'; or

(iii) Article 2, 2A, 3, 4, 5, or 5A of this chapter."

SECTION 2.

All laws and parts of laws in conflict with this Act are repealed.